



Health Services

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July 28, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM:  Mitchell H. Katz, M.D.
Director

SUBJECT: **QUARTERLY REPORT – FOURTH QUARTER
ENDING JUNE 30, 2016
YEAR 2 IMPLEMENTATION OF THE NURSE
STAFFING PLAN**

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On April 15, 2014, the Board approved positions recommended by the Chief Executive Officer (CEO) for the Department of Health Services (DHS) Nurse Staffing Plan (NSP), pending provision of additional information from DHS. The CEO, in conjunction with DHS, submitted a response dated May 12, 2014, which was accepted, allowing DHS to initiate NSP hiring in Fiscal Year (FY) 2014-15. The May 12, 2014, report also noted that DHS would submit quarterly reports on the progress of the NSP implementation.

As background, FY 2014-15 is the first year of a four-year NSP plan to address compliance with mandated staffing ratios for licensed nurses and lift teams, and non-mandated staff to address patient safety and operational needs. The NSP was designed to ensure DHS operates efficiently and effectively in both inpatient and outpatient areas.

The FY 2014-15 Final Budget included the addition of 737.0 net budgeted positions for NSP Year 1, as well as 500.0 ordinance only positions, and related funding of \$14.1 million. The FY 2015-16 Final Budget included the addition of 357 net budgeted positions for NSP Year 2. Funding for NSP Year 2 of \$22.3 million includes: \$13.9 million for NSP AB394 positions, offset by overtime, registry and Health Information Management (HIM) position deletions, and \$27.4 million annualization of NSP AB394 Year 1. DHS is pleased to provide this report for Year 2 of NSP implementation for the fourth quarter ending June 30, 2016.

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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

Recruitment and Hiring

DHS nurse recruitment offices continue to conduct multiple hiring fairs for all nursing classifications (RN, LVN, NA, Clerk, etc.) DHS Human Resources (HR) continues to expedite the onboarding process for all selected applicants. Listed below is a fourth quarter summary of Year 2 NSP hiring:

Classification	Hired	Percent of items hired in Q4 as a percent of total Year 2 Target
Registered Nurse (RN)	190	96.4%
Licensed Vocational Nurse (LVN)	11	100%
Nursing Attendant (NA)	45	90%
Surgical Techs	4	100%
Clerk	80	69.5%

Reassignment Update

All necessary reassignments were completed in collaboration with SEIU Local 721. Staff reassigned to other units or departments were provided hospital orientation and unit and departmental orientation. No further reassignments are planned for Year 2 NSP implementation.

Orientation and Training

All NSP new hires complete facility and role-specific orientations. Additional training is provided for the following workforce members:

- RN specialty units: Training is provided by each facility for staff hired into the Intensive Care Unit (ICU), Emergency Room (ER), and Operating Room (OR).

For Q4 of FY 2015-16, the following specialty nurses were hired:

OR: 3 RNs hired for a cumulative FY total of 18 RNs

ER: 22 RNs hired for a cumulative total of 77 RNs

ICU: A total of 2 RNs hired

Reduction in Registry and Overtime Costs

FY 2015-16 Budget includes the first phase of the overtime and registry reductions. DHS is estimating to meet the projected savings for overtime and registry. DHS has already established additional expenditure controls and will continue to monitor the facility utilization. For example, overtime assignments require prior authorization and

approval by a facility Nursing Director, and registry use requires prior approval by the facility Chief Nursing Officer. Facility use of traveler RNs for extended 13-week assignments requires authorization from the Office of Nursing Affairs. DHS facilities are proactively working to reduce overtime and registry utilization as the NSP hires complete orientation and training.

Additionally, the Office of Nursing Affairs has implemented the Internal RN Registry program at all DHS hospitals for hard to recruit specialty units, such as the OR, ICU, and ER. The Internal RN Registry program was first piloted at LAC+USC in FY 2013-14 and spread out to the other facilities in FY 2015-16. Relief Nurse ordinance items are utilized for the Internal RN Registry program to supplement staffing traditionally filled by contract labor personnel. The goals of the program are to reduce the department's reliance on contract labor personnel, maintain continuity of care, and provide quality patient care.

STATUS OF SAVINGS	FY 2012-13 ACTUAL (BASELINE EXPENDITURE) (\$ IN MILLIONS)	FY 2015-16 FULL YEAR ESTIMATE (AS OF MAY 2016) (\$ IN MILLIONS)	ESTIMATED SAVINGS (\$ IN MILLIONS)	TARGET BUDGET REDUCTION (\$ IN MILLIONS)
Nurse Overtime	\$28.4	\$22.1	\$6.3	\$9.6
External Registry	\$41.2	\$20.8	\$20.4	\$8.8
Internal Registry	N/A	\$0.9	(\$0.9)	\$0.0
Total	\$69.6	\$43.8	\$25.8	\$18.4

The NSP is a key element of DHS' strategy to attract and retain patients in the post-Affordable Care Act managed care environment. We appreciate your support in the implementation of this plan. If you have any questions or need additional information, please contact me or Vivian Branchick, Director of Nursing Affairs, at (213) 240-7702.

MHK: vb

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors